

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB -98-0120-0617

ELECTIONS: UNIT S-17
(herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on April 15, 1998 which was recorded at Deed Book 475, Page 276 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on April 29, 1998, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CONSOL Inc. (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates that the escrow of funds is required with regard to Unit S-17;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Virginia Bank-Mountain Empire, c/o Trust Department, P.O. Box 1038, Abingdon, VA 24210, or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefor.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

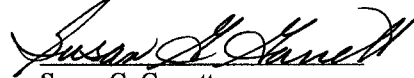
Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 3rd day of May, 1999, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

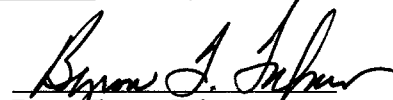
STATE OF VIRGINIA
COUNTY OF WISE

Acknowledged on this 3rd day of May, 1999, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary


My commission expires: 7/31/02.

DONE AND PERFORMED THIS 6th day of May, 1999, by Order of the Board.


Bryon Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this 6th day of May, 1999, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bryon Thomas Fulmer, being duly sworn did depose and say that he is Principal Executive to the Staff, Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis, Notary

My commission expires: 9/30/2001.

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Buchanan Production Company for Forced Pooling of Interests in CBM Unit S-17 VGOG-98-0120-0617 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF CONSOL Inc. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by CONSOL Inc., as a Permit Specialist and is duly authorized to make this affidavit on behalf of Buchanan Production Company, the designated operator,

That the Order entered on April 15, 1998, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the county identified above; that said Order was recorded on April 29, 1998;

That the designated operator CONSOL Inc. has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None.

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of April 29, 1998;

See Attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E.

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

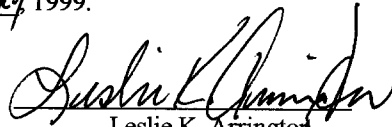
None.

that to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are not subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

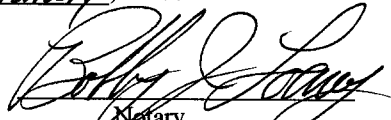
None.

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Tazewell, Virginia, this 12th day of JANUARY, 1999.


Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as Permit Specialist of CONSOL Inc., on behalf of the corporate Designated Operator, this 12th day of JANUARY, 1999.


Notary

My commission expires: 1-31-2001.

Exhibit B-3
Oakwood Field Unit S-17
VGOB-98-0120-0617
List of Unleased Owners/Claimants

		Acres in Unit	Percent of Unit	Election
I. <u>OIL & GAS FEE OWNERSHIP</u>				
<u>TRACT #6 - 0.73 acres</u>				
(1)	Jessie Childress Heirs, et al	0.73 acres	0.9125%	Deemed Leased
(a)	Phyllis Everett 4472 Dike Road Winter Park, FL 32792	0.0442 acres 2/33 of 0.23 acres	0.0553%	Deemed Leased
(b)	Eleanor Hankins 2819 Broadwood Drive Knoxville, TN 37917	0.0442 acres 2/33 of 0.23 acres	0.0553%	Deemed Leased
(c)	Louise & Lester Agee 7601 Bull Run Road Manassas, VA 22110	0.0088 acres 2/165 of 0.23 acres	0.0111%	Deemed Leased
<u>TRACT #7 - 2.47 acres</u>				
(1)	Jerry Raines P. O. Box 132 Oakwood, VA 24631	2.47 acres	3.0875%	Deemed Leased

Oakwood Field Unit S-17
VGOB-98-0120-0617

List of Conflicting Owners/Claimants that require Escrow

		Acres in Unit	Percent of Unit
TRACT #6 - 0.73 acres			
COAL FEE OWNERSHIP			
(1)	Big Axe Land Company (Tract 4) c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	0.73 acres	0.9125%
OIL & GAS FEE OWNERSHIP			
(1)	Jessie Childress Heirs, et al	0.73 acres	0.9125%
(a)	Phyllis Everett 4472 Dike Road Winter Park, FL 32792	0.0442 acres 2/33 of 0.23 acres	0.0553%
(b)	Eleanor Hankins 2819 Broadwood Drive Knoxville, TN 37917	0.0442 acres 2/33 of 0.23 acres	0.0553%
(c)	Louise & Lester Agee 7601 Bull Run Road Manassas, VA 22110	0.0088 acres 2/165 of 0.23 acres	0.0111%
(c)	Buchanan Production Co. P. O. Box 947 Bluefield, VA 24605	0.6327 acres 143/165 of 0.23 acres	0.7908%
TRACT #7 - 2.47 acres			
COAL FEE OWNERSHIP			
(1)	Big Axe Land Company (Tract 4) c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	2.47 acres	3.0875%
OIL & GAS FEE OWNERSHIP			
(1)	Jerry Raines P. O. Box 132 Oakwood, VA 24631	2.47 acres	3.0875%

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 12th day of May, 1999, at 12:25 P. M.
Deed Book No. 191 and Page No. 634
Returned this date to; D. M. M. E. TESTE: James M. Bevins, Jr., Clerk
TESTE: Patricia D. Dineen Deputy Clerk

INSTRUMENT #990001273
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
MAY 12, 1999 AT 12:25PM
JAMES M. BEVINS JR., CLERK

BY: _____

At
(DC)

COMMONWEALTH OF VIRGINIA

OFFICIAL RECEIPT
BUCHANAN COUNTY CIRCUIT COURT
DEED RECEIPT

DATE: 05/12/99 TIME: 12:25:31 ACCOUNT: 027CLR990001273 RECEIPT: 99000003218
CASHIER: AKT REG: BU01 TYPE: OTHER PAYMENT: FULL PAYMENT
INSTRUMENT : 990001273 BOOK: PAGE: RECORDED: 05/12/99 AT 12:25
GRANTOR: VIRGINIA GAS AND OIL BOARD EX: N LOC: CO
GRANTEE: BUCHANAN PRODUCTION CO EX: N PCT: 100%

AND ADDRESS :

RECEIVED OF : DEPT MINES MINERALS ENERGY

CHECK : \$16.00

DESCRIPTION 1: DECLARATION OF POOLING

2:

CONSIDERATION:	.00	ASSUME/VAL:	.00	MAP:	
CODE DESCRIPTION		PAID	CODE DESCRIPTION		PAID
301 DEEDS		15.00	145 VSLF		1.00

TENDERED :	16.00
AMOUNT PAID:	16.00
CHANGE AMT :	.00

CLERK OF COURT: JAMES M. BEVINS JR.